



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

Board of Supervisors
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YVONNE B. BURKE
Second District

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Third District

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MICHAEL D. ANTONOVICH
Fifth District

January 18, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**APPROVE ESTABLISHMENT OF CAPITAL PROJECTS FOR REFURBISHMENT OF
PSYCHIATRIC EMERGENCY ROOM AND INPATIENT UNIT CEILING AND
OPERATING ROOM SUITES AT MARTIN LUTHER KING JR./DREW MEDICAL
CENTER; AND AUTHORIZE EXECUTION OF CONSULTANT SERVICE
AGREEMENTS**

(SECOND DISTRICT – 4 VOTES)

**JOINT RECOMMENDATIONS WITH THE DEPARTMENT OF HEALTH SERVICES
THAT YOUR BOARD:**

1. Find the recommended actions, including the refurbishment of the King/Drew Medical Center Psychiatric Emergency Room and Inpatient Unit and Operating Room Surgery Suites, to be categorically exempt from the provisions of the California Environmental Quality Act.
2. Establish Capital Project No. 86772 for the Psychiatric Emergency Room and Inpatient Unit Ceiling Refurbishment Project at King/Drew Medical Center.
3. Establish Capital Project No. 86773 for the Operating Room Surgery Suites Refurbishment Project at King/Drew Medical Center.
4. Approve the attached appropriation adjustment to transfer \$1.5 million to C.P. 86772 and \$1.5 million for C.P. 86773, from the Health Designation account (Org. 60070).

5. Authorize the Department of Public Works, after compliance with applicable laws governing contract solicitation and award, to enter into consultant service agreements required for the design and/or refurbishment of the Psychiatric Emergency Room and Inpatient Unit Ceiling Replacement Project at King/Drew Medical Center, in an amount not to exceed \$300,000 per agreement, as directed by the Chief Administrative Office.
6. Authorize the Department of Public Works, after compliance with applicable laws governing contract solicitation and award, to enter into consultant service agreements for the design and/or refurbishment of the Operating Room Surgery Suites Refurbishment Project at King/Drew Medical Center, in an amount not to exceed \$300,000 per agreement, as directed by the Chief Administrative Office.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The recommended actions will allow the County to expedite capital refurbishments that address regulatory compliance and patient safety issues at King/Drew Medical Center (KDMC), as highlighted by Navigant Consulting (Navigant).

While the scope of a number of improvements that are critical to the maintenance of KDMC's accreditation and licenses are being defined and finalized, Navigant and DHS have determined that refurbishment of the Emergency and Inpatient Units in the Augustus Hawkins Psychiatric Building and the Operating Room Suites in the Acute Care Building are the highest priorities and require immediate action.

The recommended actions will allow the Department of Public Works (DPW) and Internal Services Department (ISD) to initiate an accelerated design and refurbishment process for these priority areas, under the coordination of the Chief Administrative Office (CAO) and DHS.

Psychiatric Emergency and Inpatient Units

Navigant found in its assessment that "the overall condition of the mental health area is sub-standard and subject to serious censure" by regulatory overseers. Additionally, both the Centers for Medicare and Medicaid Services (CMS) and the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO) have identified deficiencies in the physical environment of the psychiatric emergency room and inpatient units at KDMC.

KDMC has removed certain risks such as open shower grab bars, privacy curtain chains, and exposed sink pipes from the inpatient units. Other risk factors, however, such as removable ceiling tiles, exposed fire sprinklers, and door and faucet handles will be addressed as part of the recommended refurbishment.

The recommended refurbishment is estimated to cost \$1.5 million and is expected to be completed within one year. The project schedule assumes the refurbishment will be completed through a Job Order Contract following design and the required plan approval by the Office of State Health Planning and Development (OSHDP). The refurbishment work will be completed on a ward by ward basis to minimize impacts to patient care services.

Operating Room Suites

KDMC presently supports six operating rooms on the third floor of the Acute Care Building for general surgical procedures. Navigant has indicated that the physical condition and layout of the third floor operating room suites is substandard and has recommended that three of the operating rooms be closed and the three remaining surgical suites be immediately renovated to remediate potential infection control problems. CMS and JCAHO have both identified potential infection control issues related to the physical conditions of the operating suites.

The regulatory agencies also cited a lack of adequate storage space that could exacerbate the infection control situation. The recommended renovations in the operating suites will include the replacement of deteriorating cabinetry, lighting, tile floors and baseboards with products that meet regulatory and industry standards.

The specifications for these products, as well as the scope of any refurbished or additional storage space, is currently being finalized. It is anticipated that design services will be necessary, although to what degree remains undetermined. In order to initiate any required design activities and proceed with the refurbishment in a timely and seamless manner, it is recommended that an initial project appropriation of \$1.5 million be established.

The CAO and DHS will report back to your Board with a final scope of work and estimated costs prior to the initiation of any refurbishment activities and will return to your Board for approval of any required supplement to the project appropriation.

Additional Facility Deficiencies

DHS had previously identified, and Navigant has now confirmed, several additional deficiencies in the KDMC's physical infrastructure that have either been cited by CMS and/or JCAHO as potential licensing or accreditation issues. Such deficiencies include deteriorating and malfunctioning utility lines, HVAC and air handling systems, electrical systems, and heating and chilling systems, as well as noncompliant accessibility for the disabled.

ISD and DPW are currently developing scopes of work, completion schedules, and estimated construction costs for these projects. This work is expected to be completed by the end of January. We will report back to the Board in February, 2005, with recommendations for completing and funding these additional refurbishment activities.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The proposed recommendations are consistent with the County's Strategic Plan Goal of Service Excellence by improving public healthcare infrastructure and providing high standards of healthcare to the residents of the County of Los Angeles.

FISCAL IMPACT/FINANCING

The \$1.5 million required for refurbishment of the psychiatric patient areas and the \$1.5 million necessary to initiate the refurbishment of the operating room suites will be funded from the DHS Health Designation. Approval of the attached appropriation adjustment will transfer a total of \$3.0 million from the DHS Health Designation to these two project accounts in the Capital Projects/Refurbishments Budget. In the event estimated project costs exceed the appropriations established through the attached appropriation adjustment, the CAO and DHS will return to your Board to request and justify supplemental funding.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

None

CONTRACTING PROCESS

Approval of the recommended actions will allow DPW to execute consultant services agreements that are required for design and/or refurbishment activities under the proposed projects in an amount not to exceed \$300,000 per agreement. DPW will not execute any agreement without direction from the CAO.

It is anticipated that the actual refurbishment work for the proposed refurbishment will be performed by County craft staff, Job Order Contracts maintained under the authority of DPW or ISD, or through the issuance of purchase orders by ISD.

ENVIRONMENTAL DOCUMENTATION

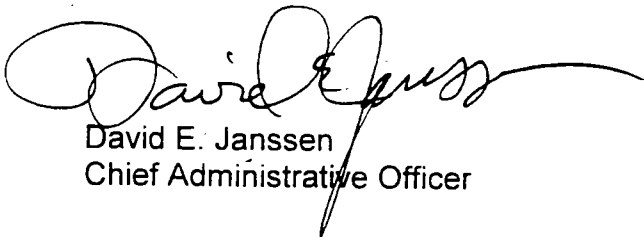
The proposed refurbishments are categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15301 (a) and (d) of the State CEQA Guidelines and Class 1, paragraphs (c) and (d) of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987,

as the projects are limited to the repair, restoration or rehabilitation of existing deteriorated or damaged facilities and interior alterations of existing facilities that will result in no expansion of use of those facilities.

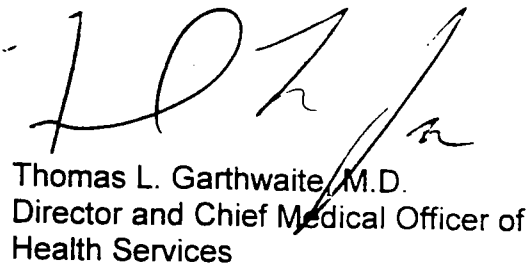
CONCLUSION

Please return an adopted copy of this letter to the Chief Administrative Office (Capital Projects Division), Department of Health Services, Department of Public Works, and Internal Services Department.

Respectfully submitted,



David E. Janssen
Chief Administrative Officer



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer of
Health Services

DEJ:TLG:
JSE:DJT:PB

Attachments

C: Director, Internal Services Department
Director of Public Works
Auditor-Controller
County Counsel
Executive Officer, Board of Supervisors

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF Chief Administrative Office

DEPT'S NO 060

1/14/2005

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

4-Vote

SOURCES:

SB 855 Enterprise Fund
MN2-HS-60070-3085
Designation for DHS \$ 3,000,000

Southwest Area (MLK/D Medical Center)
MN5-HK-60030-9911
Operating Transfer In 3,000,000

Southwest Area (General Fund Subsidy)
A01-AC-21226-6100 - 21228
Operating Transfer Out 3,000,000

Total \$ 9,000,000

USES:

SB 855 Enterprise Fund
MN2-HS-60070-6100
Operating Transfer Out \$ 3,000,000

Southwest Area (General Fund Subsidy)
MN5-HK-60030-9912
Operating Subsidy 3,000,000

Capital Projects/Refurbishments
M L King Jr./Drew Med Center (2)
Rfurb - Psych Units Ceiling Repl
A01-CP-86772-6014
Fixed Assets-Building & Improvements 1,500,000

Capital Projects/Refurbishments
M L King Jr./Drew Med Center (2)
Rfurb - OR Surgery Suites
A01-CP-86773-6014
Fixed Assets-Building & Improvements 1,500,000

Total \$ 9,000,000

Justification:

This adjustment is necessary to transfer appropriation to fund the Psychiatric Emergency Room and Inpatient Units Ceiling Replacement and Operating Room Surgery Suites refurbishment projects at Martin Luther King, Jr./Drew Medical Center.

Jan Takata, Asst Div. Chief, CAO

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF ADMINISTRATIVE OFFICER FOR--

ACTION



RECOMMENDATION

AUDITOR-CONTROLLER BY

NO. 239

JAN 14 20 05

APPROVED AS REQUESTED

AS REVISED

January 14 20 05

John Sedminster
CHIEF ADMINISTRATIVE OFFICER

APPROVED (AS REVISED):
BOARD OF SUPERVISORS

20

BY

DEPUTY COUNTY CLERK